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**NOMINATION OF PHILIP N. WHITTAKER TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE AND**

**S.J. Res. 104 AND H.R. 9328**

GOVERNMENT

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**HEARING**

BEFORE THE

**COMMITTEE ON ARMED SERVICES**

**UNITED STATES SENATE**

**NINETY-FIRST CONGRESS**

**FIRST SESSION**

**ON**

**NOMINATION OF PHILIP N. WHITTAKER TO BE AN ASSISTANT SECRETARY OF THE AIR FORCE (INSTALLATIONS AND LOGISTICS)**

**S.J. Res. 104**

**AUTHORIZING THE PRESIDENT TO REAPPOINT AS CHAIRMAN OF THE JOINT CHIEFS OF STAFF, FOR AN ADDITIONAL TERM OF ONE YEAR, THE OFFICER SERVING IN THAT POSITION ON APRIL 1, 1969**

**H.R. 9328**

**PROVIDING SPECIAL PAY TO JUNIOR NUCLEAR QUALIFIED SUBMARINE OFFICERS**

**MAY 1, 1969**

Printed for the use of the Committee on Armed Services



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ASSISTANT SECRETARY OF THE AIR FORCE AND  
S. J. RES. 104 AND H.R. 9328

HEARING

COMMITTEE ON ARMED SERVICES  
UNITED STATES SENATE

COMMITTEE ON ARMED SERVICES

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CHARLES B. KIRBOW, *Chief Clerk*

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**SENATE JOINT RESOLUTION 104—TO AUTHORIZE THE  
PRESIDENT TO REAPPOINT AS CHAIRMAN OF THE  
JOINT CHIEFS OF STAFF, FOR AN ADDITIONAL TERM  
OF ONE YEAR, THE OFFICER SERVING IN THAT POSI-  
TION ON APRIL 1, 1969**

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**NOMINATION OF PHILIP N. WHITTAKER, NOMINEE TO  
BE ASSISTANT SECRETARY OF THE AIR FORCE FOR  
INSTALLATIONS AND LOGISTICS**

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**H.R. 9328—TO AMEND TITLE 37, UNITED STATES CODE,  
TO PROVIDE SPECIAL PAY TO NAVAL OFFICERS  
QUALIFIED IN SUBMARINES, WHO HAVE THE CUR-  
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PLANTS, WHO AGREE TO REMAIN IN ACTIVE SUB-  
MARINE SERVICE FOR ONE PERIOD OF 4 YEARS BE-  
YOND ANY OTHER OBLIGATED ACTIVE SERVICE,  
AND FOR OTHER PURPOSES**

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**THURSDAY, MAY 1, 1969**

**U.S. SENATE,  
COMMITTEE ON ARMED SERVICES,  
*Washington, D.C.***

The committee met, pursuant to notice, at 10:05 a.m., in room 212, Old Senate Office Building, Senator John Stennis (chairman) presiding.

Present: Senators Stennis, Symington, Cannon, Young of Ohio, McIntyre, Byrd Jr. of Virginia, Smith, Thurmond, Dominick, Murphy, Goldwater, and Schweiker.

Also present: T. Edward Braswell, Jr., chief of staff; Gordon A. Nease, and Labre R. Garcia, professional staff members, Charles B. Kirbow, chief clerk; and Herbert S. Atkinson, assistant chief clerk.

Chairman STENNIS. Gentlemen, I have a very brief opening statement.

Members of the committee, we have on the legislative agenda for today the following items.

One is Senate Joint Resolution 104, which would authorize the President to reappoint General Wheeler as Chairman of the Joint Chiefs of Staff for an additional term of 1 year.

Two, we have before us the nomination of Mr. Philip N. Whittaker of Maryland, to be Assistant Secretary of the Air Force.

Mr. Whittaker is here and will be examined.

We have before us one bill, H.R. 9328, which would authorize special pay for junior nuclear-qualified submarine officers who extend their period of activities.

We will hear testimony on that from Assistant Secretary of the Navy Hittle and Admiral Rickover.

We are delighted to have with us the Secretary of Defense, who is a very busy man. We all appreciate his problems and wish him well as he attempts to solve them.

Members of the committee, to meet a special emergency of Senator Harry Byrd, the Chair will recognize him out of order.

Please proceed Senator Byrd.

Senator BYRD JR. of Virginia. Thank you very much, Mr. Chairman. I appreciate your courtesy and I appreciate the indulgence of the committee. I ask this only because I am leaving for Virginia for a long-standing commitment.

Chairman STENNIS. That is all right.

Senator BYRD JR. of Virginia. Mr. Chairman, in supporting today the nomination of Philip N. Whittaker to be Assistant Secretary of the Air Force, I desire to make a brief statement.

First, I commend the distinguished Secretary of Defense for ordering a thorough review of the multibillion dollar C5A transport contract. In focusing public attention on the C5A I commend the distinguished senior Senator from Wisconsin, Mr. Proxmire, and the Representative from Pennsylvania, Congressman William Moorhead. I do not prejudice the findings of the review ordered by the Secretary of Defense, but preliminary probings by Senator Proxmire and Congressman Moorhead indicate a cost overrun of nearly 100 percent. The Air Force, as I understand it, expected to pay \$3.1 billion for 120 of the Lockheed planes. Its latest estimate put the cost of planes and spare parts at \$5.2 billion, an overrun of \$2.1 billion.

Another disturbing assertion developed by the preliminary hearings is that the Air Force sought to cover up the overrun, one of the reasons being that disclosure would cause a decrease in the price in the common stock of the aircraft company involved.

Perhaps I would not have commented on the preliminary probings of Senator Proxmire and Congressman Moorhead were it not for the fact that this committee, yesterday, had under consideration the budget request of the Defense Department for the F-111 aircraft, the new name for the controversial TFX.

We do know, and this fact was established by the distinguished senior Senator from Arkansas, Mr. McClellan, that the taxpayers have been soaked hundreds of millions of dollars for a plane which the Navy found completely unacceptable and which the Armed Services Committee last year completely scrapped.

I understand that the Air Force is well satisfied with its version of the TFX. I am not competent to judge the capabilities of the air-

craft, and do not attempt to do so, but several facts influence my thinking.

In questioning Defense Department witnesses before the committee yesterday, it became clear that of the six F-111's sent to Vietnam, four of the six crashed. I understand that some 10 or 12 have crashed, but what causes me even more to doubt the F-111 program is this:

Although the program was initiated 6 years ago, the Air Force in the current budget, as recently as yesterday, is seeking \$160 million for research and development on the F-111. So the two developments coming together; namely, the costly overruns for the C5A transport program and the previous fiasco concerning the TFX program requiring even today \$160 million appropriation for research and development, causes me to view with skepticism the procurement program of the Air Force.

I want to emphasize that the present Secretary of Defense cannot be the object of any blame for the C5A predicament or the TFX catastrophe. His only responsibility is to get to the bottom, and then bring to the surface, all the facts.

I express today great confidence in this new team at the Defense Department, Melvin R. Laird and his top deputy, David Packard.

I end by saying that in my judgment the American people are becoming more concerned at both the cost of government and the competence of those who are handling their tax money, and such concern applies to the Department of Defense as well as to the Office of Economic Opportunity and other welfare programs. I, for one, expect to view with skepticism the entire military budget, and I speak as one who feels that it is vitally important that our Nation be militarily strong, in order to defend ourselves, if the need arises from the substantial increase in the offensive capabilities of the Soviet Union. But the Military Establishment has the responsibility to handle tax funds as a public trust, and to drive hard bargains with the manufacturers.

I thank the committee chairman and I thank the members of the committee for the courtesy they have extended to me today.

Chairman STENNIS. Thank you, Senator. Thank you for your good statement.

Just very briefly now for the information of the committee, we had 2 days of hearings this week with the Air Force on procurement, research, and development. We have covered the services in part now in our hearings, but we will have additional hearings.

We will hear from Dr. Foster on research and development. We have had hearings on research. We have additional matters classified on ABM, and some other matters. I believe we can better serve the cause now to not have hearings next week, but give that time to the subcommittees. We have a Subcommittee on Strategic Air, as you know, another one on research and development, and another one on bomber defense, and there is other special work being done. Give them a chance now to have hearings if they want to, but particularly briefings, and we will come back the week after next to these matters that I have mentioned for the full committee.

We are not trying to rush through. We want to be very thorough. I think it will take some time to mark up the bill. I make that announcement now so the subcommittees can make their plans.

As shown yesterday, and as Senator Byrd says, this committee is going to have to make some decisions. There is not only the money for C5A procurement, but there is money in there for the overrun. It raises the issue, not only of the amount that may be involved, but the overrun issue certainly, and we will collect all the facts so we will know what we are authorizing.

### SENATE JOINT RESOLUTION 104

Chairman STENNIS. Mr. Secretary, you are here today in support of the bill Senate Joint Resolution 104 that would authorize the President to reappoint General Wheeler as Chairman of the Joint Chiefs of Staff for an additional term of 1 year.

(S. J. Res. 104 follows:)

[91st Cong., 1st sess. S.J. RES. 104]

JOINT RESOLUTION To authorize the President to reappoint as Chairman of the Joint Chiefs of Staff, for an additional term of one year, the officer serving in that position on April 1, 1969.

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That, notwithstanding section 142(a) of title 10, United States Code, the President may, by and with the advice and consent of the Senate, reappoint as Chairman of the Joint Chiefs of Staff, for an additional term of one year, the officer serving in that position on April 1, 1969.

Chairman STENNIS. As the committee may recall, General Wheeler is presently serving for an additional 1-year term, which began on July 3, 1968, by a joint resolution approved last year authorizing this 1-year term beyond the two two terms provided for by permanent law. That is the present permanent law.

He is now serving under the temporary law and this bill proposes an additional temporary law for 1 year.

We are also glad to have you here, Mr. Secretary, and you may proceed in your own good way.

### STATEMENT OF HON. MELVIN R. LAIRD, SECRETARY OF DEFENSE

Secretary LAIRD. Mr. Chairman and members of the committee:

I welcome the opportunity to appear before you today in support of Senate Joint Resolution 104 and to urge early enactment of this legislation.

As you know, Mr. Chairman and members of the committee, under existing law, the Chairman of the Joint Chiefs of Staff is appointed with the advice and consent of the Senate, serves at the pleasure of the President for a term of 2 years, and may be reappointed in the same manner for only one additional 2-year term, except in time of war declared by the Congress.

Gen. Earle G. Wheeler, U.S. Army was initially appointed to the post of Chairman of the Joint Chiefs of Staff effective July 3, 1964. He was reappointed for a second consecutive 2-year term which began on July 3, 1966, and, following enactment of a joint resolution (Public Law 90-342, approved June 15, 1968), he was reappointed for an additional term of 1 year beginning July 3, 1968.

The proposal you are considering today is specifically limited to permitting the President to reappoint General Wheeler for an additional period of one year beginning July 3, 1969. It would not affect any other provision of law.

Last year, Secretary Clifford, acting on a Presidential initiative, requested, and the Congress enacted a similar exemption from current law because of the then existing world conditions and General Wheeler's unique experience and qualifications to continue as a principal military adviser to the President, the National Security Council, and the Secretary of Defense. Based on my experience, both as a Member of the Congress and as Secretary of Defense, I am convinced this was a wise decision and advanced U.S. security interests.

Shortly after the previous administration requested congressional approval to continue General Wheeler in the position of Chairman of the Joint Chiefs of Staff last year, the United States entered into preliminary discussions with North Vietnam and the Vietcong in Paris. These negotiations continue as do our military operations in Southeast Asia.

General Wheeler has a unique knowledge of the full array of our security requirements, which he acquired during his tenure as Chairman of the Joint Chiefs of Staff. I believe it to be both prudent and wise to retain General Wheeler's invaluable experience and counsel during the current and impending period of decision, not only in regard to the operations in Southeast Asia and related negotiations in Paris, but also with respect to oncoming major decisions affecting our overall military posture.

The President, as Commander in Chief of our Armed Forces, and I, as Secretary of Defense, therefore strongly urge that authority be given to permit the President to retain General Wheeler in his present position for an additional year.

Mr. Chairman, this completes my statement. I welcome an opportunity to answer such questions as the committee may care to raise.

Chairman STENNIS. Mr. Secretary, your statement seems to cover the points. I support the measure. This chairmanship of the Joint Chiefs of Staff is considerably different from the other positions, particularly in time of war. We are still at war. General Wheeler and I are not personal friends, but I certainly have been impressed with him as an officer, and particularly in this position. I believe him to be a valuable man for this time, for this 1-year period, and I strongly support the bill, not because it is General Wheeler with his record, but because of your needs, what you and the President have decided you need, and that is a big factor. I have no questions.

Senator Smith, may I call on you?

Senator SMITH. I concur with what the chairman has said and have no questions.

Chairman STENNIS. Senator Symington?

Senator SYMINGTON. Thank you, Mr. Chairman.

Mr. Secretary, at the time General Wheeler was nominated for an extra term, I said I would vote for him with pleasure and pride, but that it disturbed me there had been such a long, continuing chairmanship under only one of the services.

When his name came to the floor, I did vote for him. Now Mr. Chairman, I will read a short statement.

Chairman STENNIS. Certainly, Senator.

Senator SYMINGTON. It is with some reluctance that I concur in this nomination; not that I have any reservations about General Wheeler, whose professional reputation and personal integrity are

above reproach, and whom I have always held personally in great esteem, not only as a friend but also as one of this country's outstanding soldiers. For this reason I will not oppose this nomination.

I do wish, however, to express my growing concern regarding some more fundamental questions. First, whether our President and Secretary of Defense are receiving sufficiently balanced and diversified military advice from both a service and a conceptual point of view.

Second, whether or not we are setting a precedent contrary to the traditional concern of Congress over the maintenance of a proper balance between civil and military influence.

Additionally, there is the question of whether or not we do or do not need a new approach, a new look at the strategy and defense policies of military as well as civilian leaders, not directly associated with and hence not wedded to our NATO and Vietnam activities over the past several years.

The Congress has always insisted on questioning defense legislation on a wide variety of checks and balances to preclude undue unilateral actions or influences which might endanger American democratic institutions. For example, the Congress in its wisdom provided the 1958 Defense Department Reorganization Act for a limited tenure of 2 years for officers in key joint staff assignments.

The above limitation on general staff assignments was aimed at preventing an entrenched and self-perpetuating military general staff from gaining, through extended periods, an experience in the job, undue influence on U.S. policy.

For us now or at any time to perpetuate the stay in office of the principal military advisers to the President and to the Secretary of Defense far beyond these limitations would seem to me to run counter to the intent and purpose of this legislation, no matter what circumstances or qualifications of the people concerned.

Let us take a brief look at the situation over the past several years. Three chairmen of the Joint Chiefs in succession have been Army generals, General Lemnitzer, now NATO commander, General Maxwell Taylor, recalled from retirement, and now General Wheeler who is being nominated for a third term. It is a fact that since the Defense Department as established in 1947, only one admiral and only one Air Force general in 22 years have been chairmen of the Joint Chiefs of Staff. Our senior commander in Europe for many years has been an Army general. Our senior commander in Southeast Asia, ever since the beginning of the war, has been an Army general. We now have General Lincoln of the Army who sits on the National Security Council. All of these officers are fine and professionally and personally outstanding.

I cannot but wonder, however, where are the admirals and where are the Airmen in this aerospace age? How can the President expect to hear military proponents of different views and strategies, and how can the Secretary of Defense do the same from a group of senior officers all from the same service and all with similar backgrounds?

Can't we have a more balanced triservice voice in our military leadership as was intended by the 1958 act? I think we need new blood and new ideas in our Military Establishment from time to time just as is normal in our political leadership.

Lastly, it is now obvious that we are having a real question of morale in the other services, with the Army consistently occupying

most of the top military positions for the past 20 years. It is possible that the people of the Navy and the Air Force are beginning to feel somewhat second-rate. If that is true, it is not to the best interests of the Nation.

Now, Mr. Secretary, as stated, I will not oppose this nomination, but I did want to present to you, in all frankness, in this open session, what was presented by me in a closed session the last time General Wheeler was confirmed as Chairman of the Joint Chiefs of Staff.

Secretary LAIRD. Senator, I share your concern and I will certainly bear your advice and suggestions in mind, and I am sure the President will.

Senator SYMINGTON. Thank you, Mr. Secretary.

I have no further questions or comments, Mr. Chairman.

Chairman STENNIS. Senator Thurmond.

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Chairman, I have no questions. I just want to say that the Commander in Chief, the President, and the civilians in the Pentagon determine the policies. Secretary Laird has requested that General Wheeler be allowed to serve another year, and I shall vote to enact this resolution in order that he can do that.

Chairman STENNIS. Senator Young.

Senator YOUNG. Thank you, Mr. Chairman. I have no questions.

Chairman STENNIS. Senator Dominick?

Senator DOMINICK. Mr. Secretary, I have just one question. The Joint Resolution reads that "The President may reappoint as Chairman of the Joint Chiefs an officer serving in that position on April 1, 1969 for an additional term of one year."

The statement that you made indicates that the year will end July 3, 1970. My question is the discrepancy between April and July. How does this come about?

Secretary LAIRD. Senator Dominick, the term of the present Chairman, General Wheeler, runs out on July 3. The present occupant of the office on April 1 will be General Wheeler. This will allow the July 3 date to be extended for one year, as it applies to the present occupant of the office.

Senator DOMINICK. Isn't it true that as a rule we make shifts in April?

Secretary LAIRD. No. We will be making the nominations in the Air Force and the Navy this summer, and those nominations will come before this committee, and of course will be submitted by the President. But they will not be submitted until this particular Joint Resolution has been passed. We have to make the appointment of the Chairman and have that appointment approved before we move forward with that of the Chief of Naval Operations, whose term expires this summer, and that of the Chief of Staff of the Air Force.

Senator DOMINICK. Then the term is not from April on?

Secretary LAIRD. The term is not from April, that is right.

Senator DOMINICK. That is what I understood this to do.

Secretary LAIRD. The term starts July 3. The last piece of legislation that was passed by this committee started the term of the Chairman of the Joint Chiefs of Staff on July 3.

Senator DOMINICK. I understand that. My question is in the 1968 law that is referred to by Senator Symington, weren't we talking then in terms of the term starting in April?

Secretary LAIRD. The law provides for a 2-year term, depending on when the Chairman takes office, and it provides for two, 2-year terms, except during periods of war declared by the Congress. It can be extended during periods of war declared by the Congress for longer than the two, 2-year terms. The term starts from the date of the appointment, confirmation and swearing in of the Chairman.

Senator DOMINICK. I have certainly no objection to General Wheeler. I think he is a very fine person, a very fine military officer, and someone in whom I have complete confidence. I do share some of the concern expressed by Senator Symington, and I said so to him before.

Chairman STENNIS. Senator McIntyre?

Senator MCINTYRE. Mr. Secretary, how old is General Wheeler?

Secretary LAIRD. I can give you the date of General Wheeler's birth. He was born on the 13th day of January, 1908. He is 61 years old.

Senator MCINTYRE. I just raise the question, it is probably presumptuous and there have probably been inquiries about the General's health. For 4 years now he has been in my opinion in the middle, between those of his under officers I suspect who wanted more vigorous action in Vietnam and between the civilians and the President who are always trying to make sure that we do not get involved in World War III.

I think I heard some time ago that he was hospitalized for some time, so I just raise the question I hope that you are satisfied with his health. This man is a fine officer. He has always impressed members of this committee with his testimony before it, and I suppose in the final analysis it is his own determination whether he is willing to accept this additional trust, but when I think of the attentions and the strains on some of these leaders of ours, and I am sure you are beginning to feel some of them yourself, I just raise this question about this gentleman's health and I hope that everything is OK on that for the next year. You will have no difficulty from this Senator.

I will be happy to support General Wheeler, but I did feel that I wanted to mention that because from my own personal observations it seems to me that he has at times suffered quite a bit.

Secretary LAIRD. Senator McIntyre, I am concerned about the same problem. I felt that it was important and that I might be asked this question. General Wheeler went through a very thorough physical examination at Walter Reed. As a result of that examination, it was a recommendation of the doctors that he was physically fit and able to carry out the duties of Chairman of the Joint Chiefs for another year. He was given a clean bill of health.

Senator MCINTYRE. Good. Thank you very much, Mr. Secretary.

Thank you, Mr. Chairman.

Chairman STENNIS. Senator Murphy.

Senator MURPHY. I was interested in the remarks of my esteemed colleague, Senator Symington, and I would like to say that I would hope that in going through the services and obtaining top rank that the matter of the national security and the overall approach to the problems of the military would not create undue frictions because of the uniform that he happens to wear. I think that the services are so well integrated now, much more than they were in the past, and hope

they will be even more, that I would not be concerned about that matter of health.

I might tell my colleague that years ago I was referred to as a terminal cancer case who would never come back to Washington, and I am glad to say that I am older than General Wheeler and I am in better shape now than I was 15 years ago, so I am not concerned on that. My main concern is General Wheeler's record and I looked that up, and I find that to my humble satisfaction it is an excellent record. I most heartily endorse this appointment and join my colleagues in such support.

Chairman STENNIS. Thank you, Senator.

Senator Goldwater.

Senator GOLDWATER. Mr. Chairman, I certainly will support General Wheeler. I think he is one of the outstanding military leaders that we have had. However, I would like to join with Senator Symington in expressing the hope that when this particular term expires that the other services be given some consideration.

I had visited with President Nixon about this, not that I was suggesting an Air Force officer, but suggesting that the Navy and the Air Force have leaders that are certainly qualified, and I would hope that when this term expires, Mr. Secretary, that you will look at the color of the other uniforms.

Senator MURPHY. Will the Senator yield?

Senator GOLDWATER. I will be glad to.

Senator MURPHY. Would you mind including the marines?

Senator GOLDWATER. Yes; I will be glad to.

Secretary LAIRD. I want to assure Senator Goldwater that every consideration will be given to his suggestion. I well understand his interest and his concern, and this suggestion will certainly be considered.

Senator GOLDWATER. Thank you.

Thank you, Mr. Chairman.

Chairman STENNIS. Are there any other questions from any member?

Mr. Secretary, I join in asking you to consider all available material, regardless of service, all the services, but I think the choice has to be made on the man for this particular spot. This is not exactly a service office as I see it. I think it is an office beyond that. It goes to the Secretary and the President. I do not have anyone in mind. Of course, I am familiar as are others with the problems that come up. I think that is what you are doing here, that you are looking at the man and the problem.

Is there anything else you wish to say, Mr. Secretary?

Secretary LAIRD. Thank you very much.

Chairman STENNIS. We are delighted to have you here, sir, as we always are. As I said, you do not have to leave, but that concludes your testimony.

Secretary LAIRD. Thank you very much.

Chairman STENNIS. We will be glad to have you back at any time.

We will continue now in open session.

(Discussion off the record.)

(Subsequently, in executive session, the committee voted to favorably report S.J. Res. 104, without amendment, as covered by S. Rept. 162.)

**NOMINATION OF PHILIP N. WHITTAKER, OF MARYLAND, NOMINEE  
TO BE ASSISTANT SECRETARY OF THE AIR FORCE**

Chairman STENNIS. Members of the committee, we have the next item for consideration, the nomination by the President of Mr. Philip N. Whittaker of the State of Maryland to be an Assistant Secretary of the Air Force.

Although his duties are not specified by law, he will be Assistant Secretary for Installations and Logistics.

(The nomination reference and biographical sketch of Mr. Whittaker, as well as a letter from Mr. Whittaker to Chairman Stennis regarding his financial standing, follow:)

**NOMINATION REFERENCE AND REPORT**

IN EXECUTIVE SESSION,  
SENATE OF THE UNITED STATES,  
*April 10, 1969.*

*Ordered,* That the following nomination be referred to the Committee on Armed Services:

Philip N. Whittaker, of Maryland, to be an Assistant Secretary of the Air Force.

PHILIP N. WHITTAKER

Mr. Whittaker was born on November 7, 1918 in Chestnut Hill, Pennsylvania. He received his Bachelor of Arts degree with majors in English and Business from the University of Pennsylvania in 1940. He entered the United States Navy as an Ensign in 1941 and was honorably discharged in 1946 in the grade of Lieutenant Commander. He performed World War II overseas duty in New Zealand.

From 1946 to August 1968, Mr. Whittaker was employed by International Business Machines Corporation, rising from student salesman to Vice President of IBM's Federal Systems Division at Gaithersburg, Maryland. During his 22 years with IBM he had extensive marketing, contract relations, and management experience. He also, as a member of IBM, participated in the activities of a number of industry associations, such as, the National Security Industrial Association; Aerospace Industries Association of America, Inc.; and the Electronics Industry Association. He is a former member of the Policy Committee of the Council of Defense and Space Industries Association; and has served on several working groups of the Department of Defense's Industry Advisory Council. These activities were terminated when he joined NASA.

In August 1968, Mr. Whittaker was appointed to his present position as Assistant Administrator for Industry Affairs, NASA, Washington, D.C. In this capacity, he has been responsible for NASA-Industry Relations, directing NASA's Procurement, Labor Relations, Reliability, Quality Assurance, and Cost Reduction Programs. His NASA responsibilities have also involved supervising the Invention and Contributions Board. He is currently a member of the Board of Advisers of the National Contract Management Association.

Mr. Whittaker married the former Elizabeth Stevenson in 1948. They have four children, Elizabeth, Stephen, Philip, and Nancy. The family presently resides in Potomac, Maryland.

Mr. Whittaker has been nominated to replace Mr. Robert H. Charles as Assistant Secretary of the Air Force for Installations and Logistics.

APRIL 28, 1969.

Hon. JOHN STENNIS,  
*Chairman, Committee on Armed Services,  
U.S. Senate.*

DEAR MR. CHAIRMAN: In accordance with my understanding of the procedures relating to the Committee's consideration of my nomination to be an Assistant Secretary of the Air Force, I should like to advise you of my financial situation.

I am presently serving as Assistant Administrator for Industry Affairs of the National Aeronautics and Space Administration. Upon assuming this position in August 1968, I severed by relationship with my former employer, International Business Machines, Inc. I retain a vested interest in the retirement plan of IBM

which is administered by Bankers' Trust Company of New York and four other banks as independent trustees.

The only securities that I own are set forth in Attachment One. The Office of the General Counsel of the Department of Defense has advised me that certain of these securities are in companies which have contracts with the Department of Defense as reflected in the statistical lists of the Department of Defense. Attachment One identifies which securities owned by me fall in this category. If confirmed, it is my intention to dispose of all such securities of Defense contractors.

I have contingent interests in two irrevocable family trusts (established under the wills of my grandparents in 1891 and 1910), which will vest in me only upon my mother's death if I survive her (and, in the case of one of the trusts, if my mother does not name another under her general power of appointment). I do not now have and never have had the right to any income from these trusts. I have never taken any part in the management and have no power or control over any aspects of these trusts. I do not have and never have had any knowledge about their investment portfolios. I propose to give clear instructions to the sole trustee of both trusts, the Fidelity Bank of Philadelphia, Pennsylvania, that I am to continue to have no knowledge of the content or management of these trusts as long as I am serving in the Department of Defense.

I am presently a trustee of the Philadelphia Divinity School and the Merrill A. Stevens Education Fund. I intend to resign both these trusteeships. With the Committee's approval, I plan to remain as a member of the board of advisors of the National Contract Management Association, a nonprofit association of individuals dealing in the field of government contracting and subcontracting, and of the advisory board of the 1970 Annual Symposium on Reliability, sponsored jointly by several professional associations.

I trust the arrangements outlined above will be acceptable to the Committee.

Respectfully yours,

PHILIP N. WHITTAKER.

#### ATTACHMENT ONE

Securities Holdings of Philip N. Whittaker.

A. Securities to be disposed of:

American Broadcasting Cos. Inc.

The American Tobacco Co.

Gulf & Western Industries Inc. \$1. Common

Gulf & Western Industries Inc. Series B \$3.50 Cum. Conv. Pfd.

Gulf & Western Industries, Inc. \$5.75 Sinking Fund Pfd.

IBM Corp. (including shares owned jointly)

B. Securities that may be retained: Allied Stores Corp.

Chairman STENNIS. Members of the committee, Mr. Whittaker's nomination has been here for a few weeks. The only reason for the delay has been his very earnest work in working out the situation about the so-called conflict of interest matter, in which he showed the very finest possible spirit.

Mr. Whittaker appears to be well qualified for this appointment, having been with the IBM Corp. from 1946 to August of 1968, his last position being that of vice president of IBM Federal systems division. Since last year, he has served in his present position at NASA as Assistant Administrator for Industry Affairs.

The Chair would observe that Mr. Whittaker has submitted to the committee a letter indicating that he will dispose of all securities having contracts with the Department of Defense under the \$10,000 formula. The Chair would also observe that Mr. Whittaker has advised the committee that he has contingents in two family trusts, from which he receives no income. These trusts were established before he was born, one in 1891 and the other in 1910. He will receive a vested interest if he survives his mother in the case of one trust, and in the case of the other will receive a vested interest in the event he survives his mother and she does not exercise a power of appointment.

Mr. Whittaker has advised that he has no knowledge of the holdings in these trusts, which are administered by a Philadelphia bank. Under the committee precedents, these trusts do not pose a conflict of interest problem. I make this statement in order to have the record full on this matter. Of course I am sure every one present understands these are partly personal matters about Mr. Whittaker, but they are not mentioned in a personal sense.

Mr. Whittaker, you have heard my statement. I have conferred with you more than once, as did Mr. Braswell, and we are very much pleased with your attitude about things. Now, if you would like to be heard, we will hear you now, sir.

**STATEMENT OF PHILIP N. WHITTAKER, OF MARYLAND, NOMINEE  
TO BE ASSISTANT SECRETARY OF AIR FORCE**

Mr. WHITTAKER. Thank you, Mr. Chairman.

I have no prepared statement but I might make an observation or two if I may, sir.

I think the question might legitimately be asked as to why I am interested in this job of Assistant Secretary of the Air Force, and I would like to say that I have been associated with Government people over the past 10 or 15 years, and have been repeatedly impressed by the dedication and the competence of a wide spectrum of people that I have had the pleasure of meeting across the Government, and particularly in the Department of Defense. So when the call came from a man that I admire, Dr. Bob Seamans, the Secretary of the Air Force, I was of the opinion that it was not only my duty but also my privilege to accept the call. So here I am.

Chairman STENNIS. I commend you for that statement. I know too that you are serving at some financial sacrifice here. Do you have in mind serving as long as it is the pleasure of the President for you to serve?

Mr. WHITTAKER. Yes, sir. I will be here for the duration, at the pleasure of the President.

Chairman STENNIS. Well, you are accustomed to them, but there are plenty of headaches over there in the Pentagon. I know you are prepared for that.

Mr. WHITTAKER. Yes, sir.

Chairman STENNIS. Senator Smith, may I call on you, please.

Senator SMITH. I have no questions, Mr. Chairman.

Chairman STENNIS. Senator Symington?

Senator SYMINGTON. Thank you, Mr. Chairman.

Mr. Whittaker, based on your record, it will be a privilege to vote for you. I would ask you this question. Increasingly, we are having the problem of large companies quoting figures which later turn out to be well below cost. This has disturbed me for some time. Based on your knowledge in NASA and your previous work with Government agencies and with private industry, do you happen to know whether they get the same comparable profit on additional returns if their costs considerably exceed the original quotation, this exclusive of changes that can be assigned to the Government, or through inflation? I think you know what I am talking about.

What is the penalty, if any, for subsequent higher cost, because otherwise it is obvious that the quotation, although ostensibly compet-

itive, is strictly fictitious, from the standpoint of fact. What are your thoughts about that?

Mr. WHITTAKER. I agree, Senator, that it is a problem, and of course the problem as to the amount of risk that is borne by the contractor is a function of the type of contract that is entered into. Obviously, on a fixed price contract, if there is an overrun, the contractor has to swallow it, but on a cost reimbursement type of contract, although the contractor's fee is not increased for an overrun, he is subject to being reimbursed for his excess costs over the initially established target.

So I think your question very clearly points up the need for care in using the right type of contractual instrument, depending upon the circumstances of the procurement.

I certainly have always felt that the direction in which we should go is the direction of utilizing the contract type that will maximize the incentive on the contractor to keep his costs within reason while at the same time not stifling the innovation that you have got to have in an R. & D. kind of program.

Senator SYMINGTON. We know a cost plus a percentage of cost contract is illegal, but there has been great criticism of the cost plus fixed fee contract; and as one who has been on the other side of the fence, I have often wondered about that, because on a cost plus fixed fee contract there is no reward to the contractor in either increasing his cost or having his costs increased, whichever way you would look at it.

On the other hand, it seems to me, based on recent disclosures, that a contractor was rewarded under this new type contract by increasing his costs in the way of additional profits; and if that is true, it seems to me wrong indeed. Would you comment?

Mr. WHITTAKER. I think your observation is very astute, Senator Symington, I think, first of all, it is an oversimplification to say that cost plus fixed fee is wrong as a contract type. I am sure there are circumstances where cost plus fixed fee is in fact the right type of contract, where, for example, forwarding of technology is the overriding consideration, and so I think that that is an oversimplification to say that the CPFF is bad and fixed price is good in every case.

On the other hand, I do not think you should use a contract type, in general, where the incentive is to maximize your costs in order to obtain a higher profit.

Senator SYMINGTON. Mr. Chairman, I would ask that Mr. Whittaker, if confirmed as I am sure he will be, in a few months supply the committee with observations along the lines of the questions I have asked this morning.

Chairman STENNIS. All right, sir, I am sure he will be glad to.

Mr. WHITTAKER. I will be happy to, sir.

Senator SYMINGTON. Thank you.

Chairman STENNIS. Thank you, Senator.

Senator Dominick?

Senator DOMINICK. Thank you, Mr. Chairman.

Mr. Whittaker, I have no questions on your qualifications at all, but I do have this question, and that is how soon and how deeply are we going to get into the question of the overruns of the C-5's. And I presume that will be within your jurisdiction.

Mr. WHITTAKER. Yes, sir. As of this morning before coming over here, I spoke with the Secretary of the Air Force, and I have agreed with him that this will be my No. 1 priority assignment, to get into the complete story on the C-5 procurement, to find out the history, determine the lessons that have been learned, and find out the lessons for the future.

Senator DOMINICK. We are faced in the particular bill that we have before us now with over \$400 million additional money that has to be given to the contractor over the next couple of years, at least, and it is probably going to be more than that. How soon do you think that you will be able to report to the committee on that particular contract?

Mr. WHITTAKER. Senator, I honestly cannot answer that question. I will endeavor to report back just as fast as I possibly can. I have not been around the Pentagon long enough to know how long it takes to gather this kind of data.

Senator DOMINICK. You can get lost there before you even find where your office is.

One more question. This is related at least to Senator Symington's question.

There has been an implication, and that is all that I know of, that the initial cost for the first year of the construction work on the C-5 was deliberately kept low in the contract on the theory that changes then put in would rapidly accelerate the costs the following year, which would give the right to a higher profit. Do you know of any kind of contract of that type which is prevalent with other companies or other installations?

Mr. WHITTAKER. There has been talk, Senator Dominick, from time to time on the possibility of a contractor entering into a contract and then as the phrase goes, "getting well on changes." Whether or not there has been any application of this concept to the procurement in question is something I do not know, sir.

Senator DOMINICK. I thank you for your frankness, and I certainly hope we can get a full report on it as soon as possible, because we have got to bear the brunt of going to the floor of the Senate and asking the taxpayers to pony up this additional money, and it is a lot of money.

Thank you, Mr. Chairman.

Chairman STENNIS. Members of the committee, Secretary Laird has assured us that we will have all the hard essential facts on this entire matter before we go to passing on these figures in the bill. As I said a minute ago, there are some large figures in here—

SENATOR DOMINICK. There certainly are.

Chairman STENNIS (continuing). On this C-5A. I have no doubt about his ability and his intentions to give us those facts.

Mr. Whittaker, you may be right in the middle of it, you see.

Senator Young?

Senator YOUNG. Thank you, Mr. Chairman.

I was much interested in the important questions asked by Mr. Symington, and I hope as soon as the questions are answered, a copy will be furnished me. I really have no questions at this time. I expect to vote to confirm this nomination.

Mr. WHITTAKER. Thank you, sir.

Chairman STENNIS. Thank you, Senator.

Senator Murphy?

Senator MURPHY. Thank you, Mr. Chairman. I think Senator Symington has raised a very important point. The whole matter of contracting in the presentation of bidding is one that I have had a little experience with, and it is very costly. Sometimes the same system used on very large contracts is applied to very small contracts, and on a couple of occasions, my experience has been the cost of submitting the bid would be more than the profit in the contract.

I would think that this whole matter of contracting would be not just an unfortunate experience that we have had publicized lately on the overruns, but the entire approach, the entire matter, I think would be greatly simplified and greatly to the benefit of the Government, which is our main concern here. It has become an entirely specialized business to merely write your presentation.

A company that is perfectly doing a job at one cost has to go out and hire a whole specialized crew in order to make a bid, and it is an experience that I have had twice. On a contract that could be explained very simply in an hour to anybody that was knowledgeable, I wound up with a book this thick [indicating].

It has always seemed to me to be inviting trouble, so I would hope that some time you could make a special study of the entire matter of the contracting approach. I know it is difficult. I know it is not simple and that many safeguards have to be built in, but I think that Senator Symington has raised a very important point, and I look forward to the information that you will send to Senator Dominick at his request.

I enthusiastically support the nomination. Thank you, Mr. Chairman.

Chairman STENNIS. Senator McIntyre?

Senator MCINTYRE. Thank you, Mr. Chairman.

I have no questions of Mr. Whittaker except to congratulate you on your appointment and wish you every success.

Mr. WHITTAKER. Thank you, sir.

Chairman STENNIS. Senator Goldwater?

Senator GOLDWATER. Mr. Chairman, I think this is an outstanding appointment and I will certainly support Mr. Whittaker.

I would like to ask a question or two though, and if you do not care to answer at this time, after you have been in the factory there a while you can give me your opinion.

There have been repeated attacks on the uniform by some of our rather left-wing press. Reading, for example, in the morning paper the inference that the generals and colonels have made the decision known as C-5 to hide the costs, and so forth. In the past we have had admirals charged with the fact that we did not have nuclear-powered vessels in the nuclear age.

Are you able to tell me or tell the committee what is the decision level? Does this type of decision rest with the man in the uniform or does it rest more with the man in civilian authority?

Mr. WHITTAKER. Senator Goldwater, that is a very good question that I hope to be able to answer very soon, but I do not believe I can at this point in time, sir.

Senator GOLDWATER. I would hope, Mr. Chairman, that Mr. Whittaker could, if he can do it in a proper way, in due time give this committee his opinion of where this responsibility really rests. My feeling is that it is not entirely on the backs of the men in uniform as some of the press would have us believe. I think it rests

more, and I think properly should be, on the backs of the civilians in the Pentagon.

I am getting a little sick and tired of the idiotic attacks being made on the armed services, aimed at the whole establishment, and this type of question that I am bringing up today I intend to continue, not that I think the military should run the Pentagon, but neither do I think that the Washington Post or the New York Times should run it either. I thank you very much.

Chairman STENNIS. Senator, I think you are undoubtedly correct. The ultimate responsibility for these contracts rests with the Secretary of Defense. Now there may be some parts of the law there that give very high responsibility to the Secretaries of the services, but the ultimate responsibility is a civilian responsibility, and of course he acts on the advice of military men in great part.

We can have a little study made of that, just to see. There is something in there about roles and missions that is frozen in the law.

Senator GOLDWATER. I agree with the chairman.

Chairman STENNIS. I know you know that.

Senator GOLDWATER. The American public is entitled to the truth, and the insinuations being made in the press are not truthful, and I would hope that we could have a report on this.

Chairman STENNIS. We can have a study of the law. It will vary though from administration to administration about how it is carried out, I imagine, but we put the responsibility on the civilians.

I am going to call on Senator Smith now for some questions that Senator Thurmond requested her to ask.

Senator SMITH. Yes, Mr. Chairman. Senator Thurmond was called to the Judiciary Committee and hoped to get back to ask the questions himself. He left his proxy, Mr. Whittaker, for me to vote for your confirmation. If the record will show that I am asking these for Senator Thurmond at his request.

"Mr. Whittaker, what is your view of the current controversy over the C-5A?"

Mr. WHITTAKER. My response to that is that this is the No. 1 priority matter in which the Secretary of the Air Force has asked me to involve myself immediately upon assuming my new office, and I will undertake to do the necessary factfinding on the subject.

Chairman STENNIS. Senator Smith, if you will just yield to me.

Mr. Secretary, you understand if you need more time or if it is in a field that you are not prepared to answer, you can just so state.

Mr. WHITTAKER. Yes, sir.

Chairman STENNIS. And supply the answer later perhaps to Senator Thurmond.

Mr. WHITTAKER. Yes, sir.

Senator YOUNG. May I ask if you will yield to me for a moment for one question?

Senator SMITH. Yes, indeed.

Senator YOUNG. You have not any doubt in your mind whatever, have you, but that the civilian authority should run the Pentagon?

Mr. WHITTAKER. Absolutely, sir.

Senator YOUNG. You will keep that in mind?

Mr. WHITTAKER. Yes, sir.

Senator SMITH. "Mr. Whittaker, would you permit deliberate withholding of information by your staff?"

Mr. WHITTAKER. No.

Senator SMITH. "Would you knowingly allow statements on the budget to be misleading?"

Mr. WHITTAKER. No.

Senator SMITH. "How do you in your new position propose to keep down over-costs on Air Force contracts?"

As the Chair suggested, if you need some time on any of these, if you will just tell us.

Mr. WHITTAKER. That question I would like to study as I assume this new office.

Senator SMITH. "Mr. Whittaker, I note on your biographical that you are the Assistant Administrator for Industry Affairs for NASA. In this position you must be familiar with the F-104 plane midair collision with the XB-70. Test pilot Joe Walker was killed in this crash. I would like to ask you several questions in regard to this tragic accident.

"(a) When this accident happened, was it a public relations affair to take movies for the General Electric Co.?"

Mr. WHITTAKER. I really cannot respond adequately to those questions because I was not employed at NASA at the time of that tragic accident. I believe it was some months before I joined the Space Agency last August.

Senator SMITH. Mr. Chairman, may I read the other questions into the record?

Chairman STENNIS. All right, Senator Smith.

Senator SMITH. "I understand that the Government is being held responsible for settlement for Mrs. Walker although the GE and North American are responsible and should compensate Mrs. Walker.

"It is my understanding that NASA and the Edwards Air Force Base officials will not make all records and witnesses available to counsel for Mrs. Walker. Is this true and what are your views on this accident that took the lives of two great pilots and cost the Government  $\frac{1}{2}$  billion in aircraft and extensive payments to Mrs. Walker which should be paid by GE and North American?"

"What is your view of the F-111 capabilities compared to the A-6?"

Do you want to answer any of those?

Mr. WHITTAKER. In response to the first question, Senator Smith, I would give the same answer as to the prior question that I was not at NASA during that period of time, and with respect to the second question, I do not know the answer to that. I hope to ascertain it after I join the Air Force.

Senator SMITH. Thank you, very much.

Thank you, Mr. Chairman.

Chairman STENNIS. Senator Symington?

Senator SYMINGTON. Mr. Secretary, there has been considerable talk about C-5A this morning. I share apprehension about it. When the matter came up, the Air Force defended it, in the Joint Economic Committee, where there was the original criticism.

I read that defense, and although it is hard to carry figures in your head, I believe it was said the original cost was exceeded 25 percent, much due to inflation. Since then, I have heard the increase was 40 percent, and this morning somebody said 100 percent. For the record, would you supply just what the increased cost was?

Mr. WHITTAKER. Yes, sir, I will be glad to. This is obviously one of the major first steps in our look-see at the history of the C-5.

Senator SYMINGTON. Thank you.

In addition, and no doubt in effort to ameliorate the problem of the C-5A, the Air Force testified before the Joint Economic Committee that a study had been made in Boston where 12 weapons systems were chosen at random, and the average increase as against the original quotation was 220 percent. Then the testimony referred to a recent study of the Brookings Institution, quite a reputable organization, and that study showed that the increase from the original quotation ranged in the contracts they studied from 300 to 700 percent.

My point in bringing this up is that, although the C-5A could well be an illustration of a bad situation, based on that testimony it might not be nearly as bad—if the testimony in defense of the contract by the Air Force was accurate—than some of the other contracts now in process.

So I would hope when you make a report on this question of contracting, you also would bring into the discussion the figures I presented this morning, which in turn were given the Joint Economic Committee by a representative of the Air Force when the matter of the C-5A came up.

Mr. WHITTAKER. Yes, sir.

Senator SYMINGTON. Thank you, Mr. Chairman.

Chairman STENNIS. Thank you.

We have in the record, it came in the day before yesterday I believe, through the testimony of General Jeffrey, the Air Force figure now on these amounts. It runs over a billion dollars.

(The following information was subsequently furnished:)

Our projections of cost growth on the C-5A program are based on the Air Force October 1968 estimate and are reflected in our recent C-5A Review Report. The best measure of the cost growth is to compare program costs based on the contract target prices at the time of contract award in October 1965, with our latest cost estimate of October 1968. For comparison purposes, we have measured first, the cost growth in the basic contracts with Lockheed and General Electric and second, the cost growth for the program, including these basic contracts plus other program costs including initial spares.

The cost growth in the Lockheed contract for 115 C-5A aircraft is from \$1,945 million (target price at the time of contract award in October 1965) to an estimated cost to the government of \$3,169 million, an increase of 63%. Cost to the government on the General Electric contract for 564 engines through Run B (including 69 engines intended to be used as spares) is estimated to have grown from \$632 million target price to \$829 million, an increase of 31%. The estimated cost growth to the government for both contracts is \$1,421 million, a 55% increase.

The program costs, which include in addition to the basic contract, 5 additional Run C aircraft, other Air Force costs, and initial spares, are estimated to have increased from \$3,369 million in October 1965 to \$4,831 million. This cost growth of \$1,462 million is about 44%.

The expressions of cost growth presented to the Joint Economic Committee, as referred to, were based on Air Force costs estimates made in October 1964, before award of the C-5A contracts. That program estimate was made in constant 1964 dollars and was based on a smaller aircraft. The comparison presented the Joint Economic Committee applied adjustments to the original estimate for inflation and the size change in the aircraft in an attempt to identify some of the reasons for the cost growth shown in our October 1968 estimates. I believe the October 1965 contract baseline provides a better baseline for measurement of cost growth.

Chairman STENNIS. I believe I ought to call on Senator Schweiker now. He has not had a chance.

Do you have a question?

Senator SCHWEIKER. No questions, Mr. Chairman.

Chairman STENNIS. Senator Dominick?

Senator DOMINICK. Mr. Chairman, I do not want to be specific, particularly in a situation which involves the Army more than it does the Air Force, but it is important in these decisions to determine who the contracting officer is, and on whom you can place ultimate responsibility.

I bring this up because I had quite a fight with the Army, in which one of our people developed a type of new weapon—it is classified at the moment—and offered to do research and development on a certain number of these on a fixed cost, and the contracting officer gave it to a company which had never been engaged in this, at three times the price, at a cost plus fixed fee, and I was unable to get this reversed, because they said the contract had already been granted.

Now somebody down below—this is the point I am making—often becomes responsible for making these decisions, and somewhere it seems to me that we are going to have to find a chain of authority under which the first responsibility can be placed and some action can be taken in case the contracting officer as such has made what I conceive in this case to be a grievous error, and which I am sure has been in some other cases.

I want to make that statement for the record, Mr. Chairman.

Chairman STENNIS. Yes, thank you, Senator. Senator Murphy.

Senator MURPHY. I would like to make one observation in connection with what Senator Dominick has just said. I know of cases that he has touched on where in bidding for Government contract companies that have had no background, no history, no experience, have gone in and bid, hoping that having gotten the contract, then they will put together a shop to carry it out.

Now in this great complex society of ours, I do not think we are short on experienced hands in practically any field, and I would think that the Government would certainly be in much safer hands dealing with a contractor who has had experience, who has had a background of performance, not that in any way we should stifle new company startups. That is not what I mean, but I think that this should be a very careful consideration in letting these contracts.

As has been pointed out, I would think that this would tend not only to guarantee building quality and performance but also would probably save the Government tremendous expenditures.

I know that I have only been on this committee a short time. I am absolutely appalled at the amount of profit that I have come across in this short time, in the rising costs, the unbelievable costs, the tremendous amounts of research and development that seems to be going on endlessly, and the balance between actual hardware and what went into research and development. There must be some control of this.

I know that many of the scientific people enjoy thinking up new things, and they are great at thinking, but maybe not as great in doing. I think that the balance has gotten out of hand. I think, Mr. Secretary, in the post which I sincerely hope you will assume very quickly, that this would be one of your prime considerations, because

from your experience in industry and in business, you well know that there must be firm controls on these matters, and this will end in a much, much better, and a more capable Defense Department, and a lot less expenditure of the taxpayers' money who are already bearing too much of the cost and I hope you will find ways to cure it, without tending to destroy this whole great system, this greatest of all systems.

Mr. WHITTAKER. I might just comment, Senator, that I majored in English and business at college, and I have been living in high technology kinds of worlds for the last 25 years, so I know what you say.

Senator MURPHY. I know you have had background experience so that you do have an understanding.

Chairman STENNIS. Gentlemen, I believe that completes the examination of Mr. Whittaker.

Do you wish to say anything further, sir?

Mr. WHITTAKER. No, thank you, sir.

Chairman STENNIS. We appreciate your being here. You do not have to leave but you may if you wish. We have other matters to take up.

Mr. Whittaker. Thank you, sir.

(The nomination of Mr. Whittaker to be an Assistant Secretary of the Air Force was subsequently approved by the committee in executive session and conformed by the Senate on May 5, 1969).

#### H.R. 9328

Chairman STENNIS, I am going to ask Secretary Hittle, Admiral Rickover, and Admiral Duncan to take their places at the table.

I have a very brief statement about this bill, members of the committee.

The last item of business today will be the consideration of H.R. 9328, which would authorized special pay for junior nuclear-qualified submarine officers who extend their period of active service.

(H.R. 9328 follows:)

[91st Cong. 1st sess. H.R. 9328]

AN ACT To amend title 37, United States Code, to provide special pay to naval officers, qualified in submarines, who have the current technical qualification for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants, who agree to remain in active submarine service for one period of four years beyond any other obligated active service, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That chapter 5 of title 37, United States Code, is amended—

(1) by adding the following new section:

“§ 312. Special pay: nuclear-qualified submarine officers extending period of active service

“(a)” Under regulations to be prescribed by the Secretary of the Navy, an officer of the naval service who—

“(1) is entitled to basic pay;

“(2) is currently designated ‘qualified in submarines’;

“(3) has the current technical qualification for duty in connection with supervision, operation, and maintenance of naval nuclear propulsion plants;

“(4) has not completed ten years of commissioned service; and

“(5) executes a written agreement to remain in active submarine service for one period of four years in addition to any other period of obligated active service,

may, upon the acceptance by the Secretary or his designee of the written agreement, in addition to all other compensation to which he is entitled, be paid a sum of money not to exceed \$3,750 for each year of the active-service agreement.

The Secretary of the Navy shall determine semiannually the necessity for continuance of the special pay and the rate of special pay per year for such active-service agreements accepted within each six-month period. Upon acceptance of the agreement by the Secretary or his designee, the total amount payable shall become fixed and shall be paid in four equal yearly installments, commencing at the expiration of the initial obligated service; except, the Secretary or his designee may accept the active-service agreement not more than one year in advance of the expiration of the initial obligated active service and the amount may then be paid in five yearly installments, not to exceed \$3,000 per year, commencing with the date of acceptance of the agreement.

"(b) No more than one agreement for each officer shall be accepted under this section.

"(c) Pursuant to regulations prescribed by the Secretary of the Navy and subject to such exceptions as may be prescribed in those regulations, refunds, on a pro rata basis, of sums paid pursuant to this section may be required if the officer having received the payment fails to complete the full period of four years of active submarine service which he agreed to serve.

"(d) Nothing in this section shall alter or modify the obligation of a regular officer to perform active service at the pleasure of the President. Completion of the additional period of four years' active submarine service under this section shall in no way obligate the President to accept a resignation submitted by a regular officer at the end of the four-year period.

"(e) The provisions of this section shall be effective only in the case of officers who, on or before June 30, 1973, execute the required written agreement to remain in active service."

(2) by inserting the following new item in the analysis:

"312. Special pay: nuclear-qualified submarine officers extending period of active service."

Passed the House of Representatives April 1, 1969.

Attest:

W. PAT JENNINGS,  
*Clerk.*

Chairman STENNIS. This goes to the submarine problem, and it in effect provides that junior nuclear-qualified submarine officers who extend their period of active service, who have completed their minimum obligated service but who have not completed 10 years of service, may be paid an additional \$3,750 per year under a 4-year contract. The reason for that classification of it will be readily explained by the witnesses.

We have with us the Honorable James D. Hittle, one time Marine Corps general, who is now Assistant Secretary of the Navy for Manpower and Reserve Affairs. I am going to call on him first to present this bill.

General Hittle, do you wish to put your entire statement in the record and explain it, or do you wish to read it?

**STATEMENTS OF HON. JAMES D. HITTLE, ASSISTANT SECRETARY OF THE NAVY (MANPOWER AND RESERVE AFFAIRS); VICE ADM. HYMAN G. RICKOVER, USN (RET.), DEPUTY COMMANDER FOR NUCLEAR PROPULSION, NAVAL SHIPS SYSTEMS COMMAND; VICE ADM. CHARLES K. DUNCAN, USN, DEPUTY CHIEF OF NAVAL OPERATIONS (MANPOWER AND NAVAL RESERVE) AND CHIEF OF NAVAL PERSONNEL; AND CAPT. CHARLES H. GRIFFITHS, PROGRAM MANAGER, NAVY NUCLEAR POWER PROGRAM, BUREAU OF PERSONNEL**

Mr. HITTLE. Whatever is your preference.

Chairman STENNIS. Suppose you read it.

Mr. HITTLE. All right, sir.

I appear before you in my position, Mr. Chairman, as Assistant Secretary of the Navy for Manpower and Reserve Affairs and am representing the Department of Defense on H.R. 9328. We believe it is extremely important to our Nation's security.

I would like to point out at this time that I am accompanied by experts in this field of nuclear propulsion and manpower. On my right is Vice Admiral Rickover. On my left is Vice Admiral Duncan, who is the Chief of Naval Personnel, and we are also accompanied by Captain Charles H. Griffiths, who is the Program Manager for the Navy nuclear power program in the Bureau of Personnel.

The proposal, in essence, involves special pay legislation for a certain category of officers qualified for service in our Nation's nuclear submarines.

This proposed legislation, Mr. Chairman, would amend title 37, United States Code. It would provide special pay for those submarine officers who have additionally the technical qualification for duty involving supervision, operation, and maintenance of the Navy's nuclear propulsion plants. These officers who would receive the proposed special pay would, in turn, remain on active duty service for 4 years beyond obligated service.

This is important because of prerequisite training and sea experience, a nuclear submarine department head should be an officer of 5 to 9 years' naval service. This is the specific group about which we are talking at this time with respect to this bill.

Why is this legislation so urgent? The reason, Mr. Chairman, is a simple one. The Navy is faced with a rapidly increasing rate of resignations by qualified nuclear submarine officers. The rate at which the resignations are being submitted confronts the Navy with an immediate problem of manning with qualified personnel the nuclear submarines which are so vital to our Nation's security.

In fact, the rate at which resignations have been and are being received, to be effective upon completion of currently obligated service, points inescapably to the fact that unless remedial action is taken promptly, there will be not only a further shortage of officers for shore duty rotation and postgraduate work, but the shortage is going to increase in the group of officers—and it is a small one—who are qualified for the key technical assignments for submarines. In other words, Mr. Chairman, the present shortage of personnel generates resignations, which in turn generates more resignations. The problem feeds on itself.

The Navy is well aware that this committee fully appreciates the capability of the nuclear submarine and knows that it is the heart of the Polaris-Poseidon strategic system; a vital element in our anti-submarine warfare capability; and that any situation that impairs our ability to man properly our nuclear submarines could have a serious adverse effect on our national security.

Actually, the number of officers involved in the proposed legislation and who would receive the special nuclear submarine pay is small. The total is 1,123 such officers over the entire life of the legislation. This group is practically all in the grade of lieutenant.

This group, Mr. Chairman, is small, but it is critically important. The officers in this group possess unusual educational qualifications. Also, their long specialized training in nuclear submarine experience makes them a clearly identifiable group of naval officers. Because of

their small number and the qualifications which are unique to this group, replacement of these officers cannot be made by the transfer of other naval officers into such duty.

Neither can there be a timely remedy of the problem facing us by recruiting and quickly training additional officers with such required nuclear submarine qualifications. The reason why this cannot be done is obvious. The long formal school and shipboard training process precludes any such rapid solution. And, also, large-scale recruiting of such officers simply cannot be achieved on a "crash" basis because of the high standards of required educational achievement.

At this point, I think I should mention that the total number of nuclear submarine officers has always been insufficient to permit a desirable normal sea-shore rotation of duty. Thus, it is not unusual today to find a nuclear submarine commanding officer with as much as 18 years of continuous sea duty, unbroken by shore assignments save for short periods of technical training. However, in spite of such conditions, we have had in the past a retention rate of over 75 percent of such especially qualified nuclear submarine officers.

As the nuclear submarine fleet grew larger, and additional newly commissioned officers for such duty were brought into the nuclear submarine program, the Navy did anticipate some decline in retention.

But, frankly, Mr. Chairman, we did not anticipate the virtual flood of resignations which has recently developed, and which has dropped the projected retention rate of junior nuclear submarine officers to less than 40 percent. We expect to be hit by the full impact of these losses beginning in the next fiscal year—fiscal year 1970—which begins next July 1.

We have examined other measures which, if the emergency develops as along the lines now apparent, will have to be adopted to keep the nuclear ships at sea. Such measures include the partial manning of these technically specialized and powerful nuclear submarines with officers that have not been trained for nuclear submarine duty.

The problem with this short range solution is that eventually there will be a shortage of executive and commanding officers with both nuclear power and other necessary qualifications.

Also, if necessity so dictates, there will be no choice but to continue on sea duty such nuclear trained officers as are available for such duty. This, in turn, will mean the virtual elimination of a large portion of shore assignments. Obviously, such action would have the further inescapable effect of compounding one of the very conditions that is producing the resignations among nuclear submarine officers.

Such measures would result in lowering morale, further decreasing the nuclear submarine training base and reducing the overall capabilities of such nuclear submarines. As such, these would not be solutions. They would be, at best, poor expedients.

Therefore, Mr. Chairman, the Navy believes that the most promising solution lies in the voluntary retention of larger numbers of the trained and experienced officers currently on board our nuclear submarines. This will make possible eventually the attainment of the improved career patterns, which we know are needed. Not only is this the most effective course, but it is by far the most economic, both monetarily and in use of scarce talent.

Consequently, it is because of the above considerations that the Department of Defense asks authorization for a special continuation

incentive pay for nuclear-trained submarine officers of department head seniority, who are completing their minimum obligated service within the next few years.

This would provide for payment of up to \$3,750 per year to each eligible officer who agrees to obligate himself for an additional 4 years' service in nuclear submarines. In many respects, this incentive pay is similar to the very successful variable reenlistment bonus system used to encourage the reenlistment of certain highly skilled enlisted men.

In part, the effectiveness of VRB, though it too causes some small and temporary pay distortions, has encouraged this approach to the officer retention problem at hand. Also, it would not only have direct monetary impact; even more important, in my opinion, this legislation would constitute official and public recognition and appreciation by the Congress, and through it the Nation, of the importance of this group of nuclear submarine officers.

If the proposed legislation is enacted, the cost for fiscal year 1970—the first year of the proposal—would be \$2.4 million. I might point out here that this is not a slip of the tongue. This is \$2.4 million, and not billion, Mr. Chairman.

Such cost for retaining nuclear submarine officers is extremely small in terms of our Nation's multi-billion-dollar investment in nuclear submarines. Also, such cost is extremely small in terms of helping assure that our nuclear submarines, which form such a vital part of our Nation's defense, are manned by officers who are uniquely qualified by education, training and experience to take these ships down into the sea where they are roving underwater guardians of our Nation's safety.

There is one point, Mr. Chairman, which I want to make perfectly clear. It is this:

The Navy is not going to say to you that these vitally necessary nuclear submarines are not going to go to sea. These ships, under any personnel circumstances, will go to sea.

We hope that they will go to sea without having to employ administrative "press gang" methods.

It is for that reason that we urge favorable adoption of this legislation. It is not a desirable kind of legislation, but it is necessary. It is required not by theory but by an actual condition. It is necessary from the standpoint of our national security.

Chairman STENNIS. May I ask you what you mean by "press gang" methods?

Mr. HITTLE. What we mean there, Mr. Chairman, is that we would have to involuntarily keep the officers we now have at sea and keep ordering them to sea duty involuntarily in order to keep the ships operating as it is our intention under any circumstances—to keep these ships at sea.

Chairman STENNIS. I think, members of the committee, it would be well now if we could hear from Admiral Rickover. We call on him next.

Admiral RICKOVER. Mr. Chairman, as the Secretary has said, we are only talking about a small number of officers. These young men are in about the top 10 percent of officers of the U.S. Navy. They would rank very high from any college or university. They are selected for that reason.

Being very intelligent, and recognizing that they have many opportunities in civilian life, they are loath to stay in the Navy at lower pay than they can get in civilian life, and also while they are young, being required to remain away from home as long as they are. I am sure that 10 to 15 years from now when they acquire the full wisdom of adults, the wisdom that members of this committee possess, they will recognize it is not necessary to come home at 4:30 every day to take care of the young wife; that after all she also has great liking for him if he does a good job. But he is still at the stage where he feels very grateful that the young girl has married him. He does not realize that she is just as grateful to him as he is to her. That comes later on in life. So he feels he must get home more often and early in order to maintain married life.

That is a powerful reason. I have talked to these young men about this. They listen to me with great respect but they know I do not know what I am talking about.

We must have highly competent people in the nuclear power field, whether it is in the naval nuclear propulsion field, or in the central station nuclear power field. The possible dangers resulting from malfunction of a nuclear plant are very great.

Therefore these officers not only must be highly trained but they must work much harder than people in types of other ships.

Another factor is that the Polaris submarine cruises become monotonous. They are submerged for approximately 60 days at a time. There is a great deal of routine that must be taken care of, and again young people do not understand that about 99.99 percent of all life is routine. They have been led by all the glamorous advertisements of the corporations to believe there are many jobs where one can sit and look out at the green grass and fold his hands behind his head and just think, even if they have nothing to think about.

But real life is tough and it consists of details. They are not yet old enough to understand that. In fact, attention to details—attention to the maintenance of ships is much more difficult than to designing them. The designer deals with new material. It generally works well at the beginning. The man who is left with the maintenance is left with all the troubles that develop over a period of many years. It is the difference between taking care of a young man and taking care of an old man.

I think I could perhaps do better if members of the committee were to ask questions of me, if that is agreeable, Mr. Chairman.

Chairman STENNIS. Yes, there may be questions. We have with us, too, the admiral who is Chief of the Bureau of Naval Personnel. Suppose you give us your version of this problem, Admiral.

Admiral DUNCAN. Mr. Chairman, I have no prepared statement. I think the statements have quite well covered it. I would mention one aspect that is very important, and that is that we attach a time urgency to corrective action, to taking some action to stem this flow of resignations. We simply believe that we must take action within the Navy and seek action from the Congress which would be effective by the first of July of this year, because we have over 400 resignations in hand, and we simply must get some sort of corrective action that will stem this flow of resignations, and maintain a pool of officers that will permit us to give them a proper career. That really is the essence of it.

Chairman STENNIS. That is a good statement. I am sure we do have questions. I think we ought to make the point here now, I think you will have problems of this kind in the military as long as you gentlemen insist on sticking to the old, old way of compensation, military pay tied to the rank rather than to what a man does, but I know you are almost unanimously against that as I understand you, so we have to meet these conditions.

I think, too, that the committee wants to pass on this with the understanding that this is to meet the situation, and it is not to be a precedent in setting of special categories to pass these special bills.

I hope at some time we can pass a general bill that would go to the entire problem.

I was impressed with this point, that these are men that operate here in the nuclear power field, and you cannot just transfer someone else in to fill a billet.

Admiral RICKOVER. No, sir. That cannot be done. This is not like learning to drive an automobile. The officers and men must learn the fundamental theory of nuclear power, how a nuclear reactor works, even the mathematical theory, so they can operate the plant safely and intelligently.

It is not the kind of plant where you can issue instructions, press button A and press button B. You cannot do that. That is why they must be unusually intelligent. They must thoroughly understand the principles and operation of nuclear powerplants. In fact, as you no doubt are aware, we use no simulators in training. We use actual nuclear reactors similar to the ones in our ships, for our training. They operate those reactors in order to obtain their training.

Chairman STENNIS. Admiral, you said these are men of intelligence. I know that the Navy has a great abundance of men of intelligence, so you can get plenty of intelligent officers, but you cannot get those that are in this field. I think that is the real basis of the bill. You cannot get them by transferring.

Admiral RICKOVER. There are a large number of intelligent Senators here but I do not know if I would let any of you run our nuclear power plants, unless you were properly trained for the job.

Chairman STENNIS. Your nuclear subs in operation, they are growing fast, I mean the number?

Admiral RICKOVER. Yes, sir.

Chairman STENNIS. That is another point?

Admiral RICKOVER. Yes, sir.

Chairman Stennis. Give us the figures on that. I believe the figures would serve better, gentlemen.

Admiral RICKOVER. Yes, sir. We presently have in operation 41 Polaris submarines and 41 nuclear attack submarines.

The Polaris submarines, each having two crews, were built on a crash program. We had a very short time to assemble and train a large number of these highly skilled people to man these ships. Even though the actual number involved may appear small in comparison with other military groups, their unique skill makes it difficult to obtain sufficient numbers.

We are only talking about a very small number of people. For example, the total we have trained in 20 years is about 2,400 officers and 18,000 men. But when the extra burden of the Polaris program was placed on us we had to take care of it.

In order to do that, we had to use every means possible. We used large numbers of NROTC people, we took enlisted men who indicated that they were——

Chairman STENNIS. Excuse me, Admiral, there are others who want to ask you some questions too. My time is about up. I want to ask Secretary Hittle this one question. The bill says you may increase up to \$3,750. What are your plans on that? Are you going to graduate this matter? That is the figure?

Mr. HITTLE. That is the figure.

Chairman STENNIS. You're going to offer all of them the same amount?

Mr. HITTLE. Yes, sir.

Chairman STENNIS. What is the present schedule of extra payment to these submariners? Admiral, do you have those figures in your mind?

Admiral DUNCAN. It varies according to rank. If you are speaking of the submarine pay while they are in submarines——

Chairman STENNIS. No, I was not talking about the regular pay but the additional pay. They get additional pay already for submarine duty, some of them do.

Admiral DUNCAN. There is hazardous duty pay for all submariners while attached to submarines, and this varies according to rank. To give an example, for a lieutenant with 4 years' experience it is \$165 a month while they are attached to the submarine.

Chairman STENNIS. That varies now according to what? According to their rank?

Admiral DUNCAN. According to both their rank and length of service, Mr. Chairman.

Chairman STENNIS. And the ceiling you say, the top one is \$154?

Admiral DUNCAN. No, I was quoting you an officer of the kind we are considering today.

Chairman STENNIS. That is what I wanted. I did not catch that point. My time is up.

Senator Smith, may I call on you, please?

Senator SMITH. Yes, Mr. Chairman. I have a statement that I would like to take the time to read if I may be permitted.

Recently I went on a 4-hour cruise on a nuclear submarine. The skipper of the submarine, in talking with me, indicated that it might be helpful if I talked with two young officers who were planning to leave the service, and to try to determine why they were leaving, actually why they were leaving and this I did.

From what both of them said to me, it was evident that increased pay would not keep them in, not even the bonus that is proposed in this legislation. They were extremely capable young nuclear scientists, and highly trained through the Navy. In fact, I think, Mr. Chairman, that they were both so highly selective in being chosen by the Navy for their duty assignment, and they had been given such excellent, valuable, and preferential training and education by the Navy that the Navy actually had defeated its own objective in being so highly selective in giving such highly preferential training to them.

To me it was evident that the Navy's treatment of these young men, its preferential treatment of them, had literally worked to give them every incentive not to stay in the Navy. They did not want to stay because the Navy had made them so aware of their excellence, and had contributed so much to their attainment of that excellence

that they wanted to get out of the Navy so that they not only could get better pay as civilian scientists, but even more important, so that they would not have to lead the Navy life. They simply would not take the long deployment on nuclear submarines, away from their families and friends, and the more pleasant living ashore, and one of them told me that on return from this 90-day sea duty he was called upon to act every 3 days to be on watch on the submarine in the harbor, which did not give him any free time at all.

In fact, one of them also indicated that he felt because of this intensive training, that he had his skills and his ability, and he did not say this, but he intimated that he felt superior to those in command.

Most revealing was the argument of one of them that while he was eager to get the Navy to provide 2 or 3 years of graduate study in his field, he did not want to be obligated for an equal number of service years for such graduate study financed by the Navy. Obviously he wanted the advantage of getting the free education from the Navy, but he did not want to have to pay for it with obligated service because he wanted them immediately after completing graduate work study to leave the Navy for the civilian scientific community.

My experience, Mr. Chairman, in talking with these two young naval officers left serious doubt in my mind that this proposed legislation will really help, doubts that it will retain these young men after they qualify for their bonus, and wonder whether the Navy has been overselective and has overtrained some of these young nuclear naval officers, and I would be very pleased to have the observations of the Secretary and his associates.

I have questions but I would like their observations.

Chairman STENNIS. I think that puts it up to you gentlemen. What do you have to say?

Mr. HITTLE. I would like to respond to that, Senator Smith. In the first place, it is obvious from what these officers expressed to you that they were highly trained, and, too, it is fortunate that not all of the officers among their contemporaries had their views with respect to obligated service. I feel that while these people whom you spoke to did have problems that they expressed to you, it is not typical of all of our nuclear submarine officers.

For instance, I would like to point out that we do not expect this bill to be a complete, 100-percent solution to this problem. What we want to do, and what we hope to do with this legislation, is to retain some of those people, the contemporaries of these officers you discussed the matter with, who would otherwise leave.

If we can get a significant proportion of those officers to change their minds, or to stay while they are in this critical period of their career, then that will alleviate our situation.

For instance, we have some experience to go on since this proposal came up. I certainly do not want to convey to you, in all frankness, that this is a conclusive finding. But it is at least a straw in the wind, and I think it is of interest, in view of the views that were expressed by these officers, whom you spoke to, and their determination to get out of the service.

Since this bill was passed by the House and sent to the Senate, there has been a 50-percent reduction in the rate of resignations being

submitted by officers in this category, and in addition to that, a new trend has developed. We certainly hope that it is a continuing one. At least it has started, and that is that there have been 14 withdrawals of resignations that have been submitted. I think that this emphasizes the fact that there is some element of solution in this proposed legislation, Senator.

Senator SMITH. I would certainly hope you are right, and I would like to say I do not want to be misunderstood, the two young men were very proud of their Navy service, but more proud of their ability and the skills that they had gained.

Admiral RICKOVER. May I comment on that, sir?

Chairman STENNIS. Yes, Admiral.

Admiral RICKOVER. When we interviewed young officers to get into the nuclear program we know 50 percent do not intend to make a career of the Navy. We were faced with this problem for the first time several years ago. We decided to take officers into the program even though they indicated they would not stay in the Navy. We hoped that by taking them in, many would stay on. So the fact that we are having a relatively large number of resignations was not only expected but has been predicted for several years. Of course, one answer to that problem is to increase the input of officers, thus allowing for the expected loss. However, we have not been able to do that for various reasons. Therefore, our inability to meet the required input combined with the fact that there were a large number of ships being commissioned in a short time has created the situation.

As far as the nuclear power training program is concerned, we experience an officer attrition rate of about 25 percent due to academic failure. Therefore, to lower our acceptance standards would not help in the long run. Somehow we must increase the number of qualified applicants. What we are faced with is a prevalent condition in our society.

Generally no one part of a country, no one part of a culture, rises above the whole. When there is dissatisfaction in colleges you are going to have it in Congress, you are going to have it in nuclear submarines also.

Chairman STENNIS. Thank you, Admiral.

Admiral Duncan?

Admiral DUNCAN. I would like to speak briefly to two points that the Senator made. The first is the usual question, will pay or will monetary compensation do the thing.

As you know, we have problems in other parts of the naval community, both enlisted and officer. It is my opinion, and I believe it is borne out, that compensation is merely one piece of the entire package that a man weighs when he makes a decision, will he stay in the Navy or will he go into civilian life, as he perceives it. He weighs compensation along with the advantages and disadvantages of service life, compares it with the advantages and disadvantages of civilian life as he perceives it. We cannot change certain conditions of the service life as this committee is very well aware. Therefore I feel that compensation is indeed one of the primary elements.

I would like to speak just briefly to one other thing, Senator. If I understand you correctly, you inferred that in fact perhaps we have too high quality men. I think that this committee, and I am certain I can speak for the Navy, agree that we must have the highest quality

men. If we are getting men of such quality and trained to such a degree that they are attracted somewhere else, you should change the service, because I think the country deserves to have the very best quality, the very highest trained men in these important positions. They are absolutely vital.

Senator SMITH. Thank you very much, Admiral.

Now for the record, Mr. Chairman, I have two or three questions. Under this legislation, Mr. Secretary, the junior officers will be drawing more pay than their superiors. Will not this pose morale problems for the Navy?

Admiral DUNCAN. May I answer that?

There are indeed some cases, Senator Smith, where some of the junior officers will be drawing more than some of their senior officers. A case in point, a typical case perhaps, would be that one of the lieutenants might be getting \$100 more than his executive officer.

I would point out, however, that we do not like this solution. We consider it a necessity, and I would point out that there are a great many cases of pay inversion in the Navy. For example, on a large ship, a captain doctor makes about \$800 a month more than the captain of the ship. So these pay inversions do exist in the Navy today.

Also among enlisted men, the provisions which this committee actually had a large part in providing, for proficiency pay and the variable reenlistment bonus, which have been most successful and which the Secretary spoke to, do cause pay inversions. They seem to be a necessity in this day and age to manage personnel.

Mr. HITTLE. I have one observation.

Chairman STENNIS. We will take that later.

Senator Smith has another question.

Senator SMITH. Mr. Secretary, what have you in mind when you speak of more basic long-term solutions after the law expires in June 1973?

Mr. HITTLE. For one thing, the entire pay system is being reviewed at this time, and also with respect to the conditions for the officers who are serving on the nuclear submarine specifically. I would like Admiral Rickover to address himself to the studies that are going on with respect to this.

Admiral RICKOVER. I believe Admiral Duncan is more familiar with this.

ADMIRAL DUNCAN. In studying this problem, Senator, we came up with a great many suggestions of things that we can do within the service. The demands on these young men, when they come into port, are really terrific. We have many inspections, each of which are good within themselves, but we are trying to lighten the load by spacing these inspections. The maintenance load places great demands on them. The watch requirements, because of safety, are necessarily high. In other words, we are trying to improve the conditions under which these men serve.

Also basic to this whole solution is the need to give the young man a chance to go to graduate school. Incidentally, they do then take on the obligation of 2 years, service for each 1 year in graduate school.

We have actually a long list which I will not read to you of things that we hope to do to improve the conditions under which the nuclear trained officers are now serving.

One other thing that I might mention is our effort to relieve them of many collateral duties. We have a great many collateral duties, again good within themselves. We are trying to have the staffs take over some of these.

Senator SMITH. As I view this legislation it represents extra pay for certain duty and for all practical purposes will become permanent legislation.

It seems to me it will have to be extended to all officers who perform this duty, and enlisted personnel as well. Would you want to comment on this?

Mr. HITTLE. I would comment on that, Senator. That is not the intention of this legislation. We could only conjecture as to that, at this time. We view it as temporary legislation.

Senator SMITH. Mr. Chairman, I believe that the Department of Defense should undertake a serious study which would include both hazardous and popular assignments in all services where this same problem prevails, and I would like to add that I was never more impressed in my life with those dedicated boys, who are so dedicated to that submarine service, also proud of myself that I supported the nuclear submarines through the years.

I just wish we had more of them.

Thank you Mr. Chairman.

Chairman STENNIS. Thank you very much, Senator.

Senator McINTYRE. I am proud of you, Senator, because you had the courage to go down in one. I have been invited and I have refused.

Chairman STENNIS. I am mighty glad she got back.

Senator SMITH. Thank you.

Chairman STENNIS. Senator McIntyre, you are next.

Senator McINTYRE. Mr. Chairman, it is very apparent from the beginning that I wanted to support this legislation and yet when I come here and I really have not had a chance to read the report, a lot of questions pop into my mind and I realize that time is short. I regret that we have to face up to it here under such conditions.

Chairman STENNIS. Senator, we will give you all the time you wish, and we do not have to pass on it today at all.

Senator McINTYRE. In the interests of time, Mr. Chairman, perhaps I can just state some questions for the record, and they can supply the answers. One of the questions I am interested in is the comparability. I would like to know that if this proposed bill becomes law, what the comparability would be then between an Army captain, an Air Force captain, along with your Navy nuclear, and then an estimate as to what these young lieutenants senior grade and junior grade officers could possibly attain in the civilian world.

On top of that, we ought to also have what is open to the Army and the Air Force today for their hazardous duty. I think it is unfortunate that this problem struck during a time when we are involved in hostilities in Vietnam. Some comparability on that, so we can just see what is coming around the corner.

I remember last year, was it not, we had hazardous duty pay for these men who operate on the carriers, the enlisted men, and that seemed to be very appropriate.

(The following information was subsequently submitted:)

## ESTIMATES BASED ON PROJECTED 12.6 PERCENT INCREASE IN BASIC PAY ON JULY 1, 1969

	Basic pay BAQ BAS	Flight/ submarine pay	Nuclear submarine cont. pay <sup>1</sup>	Hostile fire pay	Parachute pay	Demolition pay	Experi- mental stress pay	Physicians, dentists pay	Diving/ flight deck pay	Family separation allowance <sup>2</sup>	Annual total
Any lieutenant/captain	\$919.53										\$11,034.36
No special pays/noncombat	919.53									\$30	11,994.36
No special pays with ESA	919.53			\$65						30	12,174.36
No special pays/combat	919.53	\$165								30	13,374.36
Fleet submarine/noncombat	919.53										
Navy lieutenants:											
Nuclear submarine officer	919.53	165								30	
No nuclear	919.53			65							13,494.36
Seal leader/officer	919.53			65	\$110	\$110			\$110	30	14,814.36
Aviator (L3XX)	919.53	165		65						30	14,154.36
Doctor	919.53			65			\$150			30	13,974.36
Doctor (medical research)	919.53						\$110				14,154.36
Doctor (submarine)	919.53	165					150				15,173.36
Flight surgeon	919.53	165		65			150			30	15,954.36
Army/Air Force/marine captains:											
Nonaviator	919.53			65	110	110				30	14,814.36
Aviator	919.53	165		65						30	14,154.36
Doctor	919.53			65			150			30	13,974.36
Doctor (para/medic/flight surgeon)	919.53	165		65			150			30	15,954.36
Doctor (medical research)	919.53						110				14,154.36
Proposal: Nuclear submarine officers of department head seniority	919.53	165	1 \$312.50							<sup>2</sup> 30	17,124.30

<sup>1</sup> Paid only as annual lump sum and not as monthly amount.<sup>2</sup> Payable only to married officers not occupying government quarters when away from home ports for periods in excess of 30 continuous days.

Note: Tax benefit derived from combat area assignments are not included.

Senator McINTYRE. Then the second question revolves around, and probably the hearing on the House side would answer this, I suspect from what Admiral Rickover has said that they submerge sometimes for 60 days.

Admiral RICKOVER. For about 60 days, sir.

Senator McINTYRE. I would not find proper motivation in me if I were a young man. Time on station is one of the essential factors, away from home, so to speak. Is there any opportunity that this time on station could be reduced with additions to the fleet, the Polaris attack type?

Admiral RICKOVER. Yes, sir. We have 41 Polaris submarines. There is a national requirement for a given number to be on station at any one time. Of course we could alleviate this situation by having more ships, but that is a very expensive proposition. One modern Polaris submarine would cost at least \$200 million. And this is a budget-minded Congress I understand, sir.

Senator McINTYRE. It sure is.

Reduction in time on station could help the problem, regardless of what the strategic situation?

Admiral RICKOVER. No, sir; not if you accept the fact that there must be so many ships on station at one time. There is a considerable amount of time in transit to and from station, so if you reduce the time on station, the only solution to take care of the proposal you are making is to get a larger number of ships, sir.

Senator McINTYRE. The requirement to keep those ships on station is a matter of policy. If we changed the policy tomorrow and said we only needed one out there that would relieve your problem; would it not?

Admiral RICKOVER. Yes, sir; it would.

Senator McINTYRE. I would like to know, too, a little more about the educational prerequisites. Is this a young man who comes out of the Navy Academy in 4 years with an engineering degree?

Admiral RICKOVER. We select the majority of our Naval Academy input from the top half of the Naval graduating classes. Even with this high selectivity we find about 25 percent who cannot pass the course. I have previously talked a great deal about what I thought the inefficiencies of the service academies were and I do not want to get into that subject here, but we have found generally that those who come from civilian colleges do better in our schools than those who come from the Naval Academy.

Senator McINTYRE. I understand then that from the graduating class who indicate an interest in this type of service that you then test them?

Admiral RICKOVER. No, sir; we do not test them. We look at their records and we go through a series of interviews with them, and based on those interviews the decision is made whether or not to accept them into the program.

After that, they go to two schools, one lasting 6 months where the theory is taught, and then the second 6 months school where they learn how to operate a naval nuclear powerplant. Some people who are very intelligent cannot master the practical aspects. That is like a man who knows all the details of how an automobile engine is designed but he cannot operate it.

Senator McINTYRE. A man who has successfully passed that test and goes into the nuclear division or department of the submarine service, is he then in the ordinary course of his training sent to a graduate school at some time?

Admiral RICKOVER. Once the officer joins the fleet, theoretically he is in no different position than any other officer in the Navy. As far as post-graduate training is concerned. What has happened in actuality is that because of the scarcity of officers in the nuclear submarine service, there has been much less of an opportunity for them to go to these graduate courses.

Senator McINTYRE. So you are building on an engineering degree and a high motivation and apparently unique abilities in this line?

Admiral RICKOVER. Your first statement is somewhat incorrect, sir. We do not particularly care what degree the young man has earned. We figure he has not learned enough of any one specialty, either at the Naval Academy or any other college to make a difference. If he is intelligent, has made good marks, he is taken in regardless of what degree he has. We figure the first 6 months of theoretical training will take care of it. We have even had psychologists come in and some of them have made out.

Senator McINTYRE. I want to also add my voice to what Senator Smith said, that it is a little irksome, and I suppose there are some reasons that I am not aware of as to why a young man today, and we see them as they apply for the Naval Academy, the Air Force, and West Point, why with an education furnished to them by their Government, and given this specialty, and hoped for desire to go in the service, that they can ease themselves out after a number of years. I suppose that is a problem that I do not know whether you want to go into, but I do echo her sentiments.

As people approach me on this problem, I talk about "Make sure your young man is highly motivated."

Now the enlisted men, are they in the same situation? Have you got highly specialized enlisted men who are operating nuclear equipment?

Admiral RICKOVER. Yes.

Senator McINTYRE. They are not being given any consideration?

Admiral DUNCAN. May I speak to that?

Admiral Rickover, of course, can talk better than I to the exact qualifications.

Chairman STENNIS. Speak a little louder, please, Admiral.

Admiral DUNCAN. The enlisted men are indeed highly selected and highly trained. I wanted to point out that we do have special incentives for them, the ones which I mentioned before, the variable reenlistment bonus for the very technical ratings, and, in addition to that, proficiency pay where the training time is very long, very costly, and there is a shortage. So there is special pay for the enlisted men, and the enlisted men's reenlistment rate has been high. It is one of the highest we have had.

Admiral RICKOVER. You should bear another thing in mind, sir. The reason we have this officer shortage is because we are talking of a small number of people. Actually the resignation rate in nuclear submarines is less than in conventional submarines; it is less than in aviation and it is less than the rest of the Navy.

I think this problem should be put in proper perspective.

Senator McINTYRE. What you are saying is that this resignation rate is appearing in a very important strategic arm of our security.

Admiral RICKOVER. Yes, sir; and with a small number of officers.

Senator McINTYRE. Thank you, Mr. Chairman.

Chairman STENNIS. Yes, sir; thank you very much.

Senator Murphy?

Senator MURPHY. Mr. Chairman, I thank you. I have found this dialog most interesting, and I must say that I would be embarrassed after what we have heard here this morning with regard to some overruns. I would guess that they spill more coffee on the C-B program every day before 11 o'clock than what we are talking about in this whole program.

I also must take it for granted, I have known two of these gentlemen for a long time personally, I know them to be of good character and wisdom, and mature judgment, and if they come up and recommend this, I would most heartily endorse it. I think that it is a difficult problem that must be faced, and if they think this is the best type of improvement that they can suggest I would endorse their suggestion.

I would think that the entire pay structure would have to be studied, because of the complete change in condition. I am advised, for instance, not only on nuclear submarines but on, for instance, the *Long Beach*, which is a nuclear cruiser, that in order to get top efficiency, you have to have men aboard there about 3 years, and once they are trained for these highly specialized duties, there must be some way that they can be kept. It would be a great saving.

We talk about raising the pay scale, but looking at the overall picture, I think that the cost of training when taken into consideration, I would think it would be very simple. I would be more than pleased to vote for this bill.

Chairman STENNIS. All right, thank you, Senator.

Senator MURPHY. Thank you, Mr. Chairman.

Chairman STENNIS. Senator Schweiker?

Senator SCHWEIKER. Thank you, Mr. Chairman.

When you sign a person up for submarine duty, how many years is he obligated for initially? I am talking about an officer.

Admiral DUNCAN. The average obligation of the people we are concerned with today is 4 years. It changes, Senator Schweiker, from time to time. As you know, the Congress passed a law, for example, on Naval Academy graduates that would be effective with the class of 1968, but I am saying that the average obligated service for the young man we are talking about is 4 years. If you would like to know the details of each group, Captain Griffiths can give you that information.

Senator SCHWEIKER. You give a young man certain training to be a nuclear submarine officer, is that right?

Admiral DUNCAN. Yes.

Senator SCHWEIKER. Do you require a commitment from him to stay in the service, upon receiving this particular specialized training, and if so for how long?

Admiral DUNCAN. No additional requirement at this time.

Admiral RICKOVER. He stays in as long as he would if he went to any other type of ship.

Senator SCHWEIKER. How much training have we given him at this point?

Admiral RICKOVER. The Navy does not give him as much training for other types of ships as we give him for duty on nuclear ships. Actually he is given a great deal of education, as compared to the time for which he is obligated.

Senator SCHWEIKER. After you bring somebody in, how much training do you give him?

Admiral RICKOVER. We give him 1 year of nuclear training. He also has been getting a half year submarine training, so he could get out by just putting in another 2½ years, sir.

Senator SCHWEIKER. Why wouldn't we require that? That seems rather fundamental.

Admiral RICKOVER. The answer is very simple, sir. If you increase the obligated service requirement, fewer people will volunteer.

Senator SCHWEIKER. Are we not sort of kidding ourselves? If they all do not reenlist anyway for different reasons, you are just sort of putting off the inevitable.

Admiral RICKOVER. If the Navy requires 4 years of obligated service, say from an NROTC graduate, and then, because he gets into the nuclear program, you add 1 or 2 more years, you just won't get these people to volunteer. Even though the officer's commission states that he will serve at the pleasure of the President, you know you cannot invoke that unless there is a national emergency. These are the facts of life. This is why this game is difficult.

Senator SCHWEIKER. Admiral, I understand that, and I understand the point you are making, but it seems to me if we invest a fellow with a year and a half of specialized training in this area, the very least we can do is ask that he serve for another year and a half. If you do not get anybody on that basis, it seems to me, Admiral, that maybe we are doing the whole thing wrong.

Admiral RICKOVER. But I am sure that every Congressman feels that the Government having invested in him for two years he certainly ought to get another term.

Mr. HITTLE. There is an obligated service here, because after this individual gets out in NROTC and goes on to his active duty, he is obligated for 4 years of active duty, and it is during this time that he gets this training.

Senator SCHWEIKER. But when you pick him up on that 4-year obligation can't you pick him up towards the end of the cycle? I thought the Admiral mentioned it depends on where you pick him up in the cycle as to whether he has another year of obligation.

Admiral DUNCAN. May I make a comment?

Senator SCHWEIKER. I may be missing the point.

Admiral DUNCAN. I believe you are, if I may say so. I believe that rather than trying to pin people to an obligation, is it not better to make them wish to stay in the service?

Admiral RICKOVER. There is another aspect to this. You cannot have a disgruntled or dissatisfied officer in a nuclear submarine. He would be completely dangerous to the safety of the ship and its crew. So there is no such thing as forcing people. You cannot force people to do this kind of work. A man has to want to do it. If he does not want to stay in the Navy, even though he is compelled by law to stay 2 or 3 more years, it is a danger in this type of service.

Senator SCHWEIKER. Let me ask another question. How long is the normal rotation of sea versus shore duty? In other words, before this

great falloff occurred, how long was he alternating between sea duty and what you call other kinds of duties?

Admiral DUNCAN. In general, in the Navy we would expect an officer to serve from 3 to 5 years at sea and then have a tour of shore duty. The point has been brought out earlier, I believe, because we have had a shortage of nuclear trained people all along we have not been able to attain this rotation for these young men. Therefore, many of them have stayed continually at sea, and this is one of the nonmotivating factors. We have not been able to give them normal shore and sea rotation which we have been able to do with the rest of the Navy.

Senator SCHWEIKER. You have not been able to do that even prior to this dropoff rate, is that what you are saying?

Admiral DUNCAN. Yes.

Senator SCHWEIKER. You mentioned that the civilian applications are better than Naval Academy applications. I think you mentioned that, Admiral, is that right?

Admiral RICKOVER. We have had in the past better experience. This is from the civilian colleges, but this is beginning to equalize. The course of instruction at the Naval Academy has improved in the last few years.

Senator SCHWEIKER. Of your dropout rate, that is, your failure to reinlist, or resignation, have you made an analysis between those with that background versus those with the other, and what does that show?

Admiral DUNCAN. The Naval Academy has a much higher retention rate in general. We try, of course, to get those from all sources to stay in, but the Naval Academy retention rate has been approximately 60 percent.

Senator SCHWEIKER. This is one of the points I am trying to make here. I think that in our getting the very best, and I think this is what Senator Smith was getting at, we also get some other qualities of individuality and an unwillingness to put up with routine work and to be away from home base for a long period of time. I wonder if in our broad-scale recruitment, we are not recruiting dropouts for this reason, because of the rather unusual nature of the demands of duty. Do we look at that aspect on the retention rate as well as the high selectivity rate that we seem to be looking at? I wonder if that is why we say we like people from civilian schools. Yet those who go to Annapolis and sign up for a certain period of time have committed themselves to do what I was making as a point before. If they know what they are getting in for ahead of time, we could have told them to drop out in the first place, because you did not tie a string to their application.

Admiral RICKOVER. I do not believe you were here, sir, when a question analogous to this one was asked. We fail about 25 percent of officers during the 1-year training program. That is we take in at least 25 percent extra right now, those who we feel at the time of interview will make it. We are leaning over as much as we can. On the other hand, when you are operating a nuclear plant with the health and safety of the public and of the ship involved, you cannot let an unqualified man operate that ship. Would you like to be around a neighborhood where you had unqualified people operating these plants? In fact, today you are building more atomic central station plants in your State. Many of the men manning these central station plants have come from the U.S. Navy. This is another reason why we are

losing a large number of our people. It is one of the main reasons, because the civilian central station plants are paying higher salaries. I hope that will give you a measure of confidence in your plants, that the people come from the Navy.

Chairman STENNIS. Are there any other quick comments on the Senator's questions? I am not cutting you off.

Senator SCHWEIKER. I support the bill. I think the bill is a good bill. I am for this kind of incentive. I am just wondering whether we should not tie some prerequisites to the people who enjoy the benefits of the system. I am not debating that with you, but it just seems to me a rather logical thing to do. I certainly support the bill, and I recognize the problem.

Thank you, Mr. Chairman.

Chairman STENNIS. Thank you, Senator.

Senator CANNON?

Senator CANNON. Thank you, Mr. Chairman.

Actually you are tying a condition on by this bill itself. They have to sign up for the additional term?

Admiral RICKOVER. That is right, sir.

Senator CANNON. To get the bonus. So you are really tying a condition on what Senator Schweiker was just asking about?

Admiral RICKOVER. That condition is added to the initial condition for entry into the naval service, sir.

Senator CANNON. Right, and your point is that if you tie any additional condition on at that point you are not going to get them?

Admiral RICKOVER. That is right, sir.

Senator CANNON. You are going to scare them off before.

Admiral RICKOVER. You were not here earlier sir. I explained that when we interview these young men it is generally obvious that the majority of them do not have any intention of staying in the Navy sir.

Mr. HITTLE. Beyond their obligated service.

Senator CANNON. Then maybe the answer to it is for Congress to increase the term of obligated service.

Admiral RICKOVER. We must have volunteers in the submarine service. We will not get the volunteers if you do that sir.

Senator CANNON. The thing that kind of concerns me a little is that a few years ago we went through this same exercise on behalf of the doctors, and we were given this argument, that we had to increase the pay and give them this incentive pay, and so on. and that this was going to increase the retention rates, and I do not think it did.

I think the facts are that the result that we were shooting for was not really accomplished. Now maybe it helped some, but at least the results that we were led to believe would occur did not occur as I understand it. Is that correct, Mr. Chairman?

Chairman STENNIS. I really have no figures on that, Senator. We would have to check into it. You are talking about the extra \$100?

Senator CANNON. Yes, sir.

Chairman STENNIS. I doubt that it had much effect.

Senator CANNON. Thank you, Mr. Chairman. That is all I have at this point.

Chairman STENNIS. We can get that information for you if you wish. I have not heard it mentioned.

This means now, gentlemen, that you are going to pay these officers \$312 a month plus whatever extra pay they get for hazardous duty,

and for the commander of the submarine, the top pay for this hazard is \$245 a month. You are stepping all of these men up above the commanding officer of the submarine.

Admiral Duncan, what do you say?

Admiral DUNCAN. Mr. Chairman, they are not all being stepped up in pay above the commanding officer. They will be above the executive officer.

Chairman STENNIS. The extra pay?

Admiral DUNCAN. The commanding officer would be the rank of commander with about 16 years' service, so his pay rate is much higher, and with the submarine pay he would still normally have a differential. I would not say there will be no case where one of these men, say he is a lieutenant commander, would not get more pay than the commanding officer, but the bulk would not.

Chairman STENNIS. The extra pay because of the submarine assignment will be more?

Admiral DUNCAN. The hazardous duty pay, as you know, stays the same, that is in the present law, and it is this extra nuclear power qualification pay that is added on.

Chairman STENNIS. The top pay for hazardous duty as I understand it, is \$245 a month. That is what Mr. Braswell tells me. You gave the average there as \$100 and something, but the top is \$245. What I am getting to here is that in the submarine field, these men are going to be getting more special pay than the commanding officer?

Admiral DUNCAN. A very few will be getting more than the commanding officer. Many will be getting more than their executive officer for this period.

Chairman STENNIS. What kind of a problem is that? I would like for you to touch on that. You seem to think you have that problem under control.

Mr. HITTLE. Senator, Captain Giffiths has just returned from a series of visits with all of our submarine bases and talked with the commanding officers as well as these officers concerned, and on this specific subject, and I would like him to respond to that.

Chairman STENNIS. All right, Captain, make a response to that right on the nailhead now.

Captain GRIFFITHS. Yes, sir. First this is a lump-sum payment. It is not in the bimonthly pay check. It is not a visible bimonthly pay inequity.

Our senior people, our commanders and executive officers, have indicated to me once they understand the problem, that they can live with it. Of course they do not like it, but they can live with it.

Chairman STENNIS. What do you mean "live with it"? That is a vague term it seems to me.

Captain GRIFFITHS. What I mean by that, sir, is that they are going to support it. They are going to encourage their young officers to take it and to stay. They are not, themselves, going to get discouraged or quit the service or resign or request out because of it.

Chairman STENNIS. All right. Thank you. That is helpful.

Admiral Duncan, you have a special responsibility in this field. That is the direct question now to you, as to this problem.

Admiral DUNCAN. As I mentioned earlier, we recognize that it is not desirable to have pay inversions and pay differentials, but we recognize it also is a necessity to manage manpower in this present day.

Chairman STENNIS. My question goes to the problem though that it creates and what do you think about it being taken care of and solved?

Admiral DUNCAN. I am not sure that I understand you, Senator.

CHAIRMAN STENNIS. The captain said that he had contacted these men and they did not like it. They said that they would encourage these officers to stay for the good of the service, and could live with it, so to speak. Do you think that that is correct, that you do not create the morale problem here?

Admiral DUNCAN. I think it is correct that we can lick the morale problem, and I base that on the fact that we have licked it in other differential pay cases.

Chairman STENNIS. I wanted to direct that to you, because you are in this special position.

There is no doubt about it, members of the committee, this is a problem. and if we pass it, we are going to be confronted with other problems in other services, and maybe some more in the Navy, but I want the Secretary to answer, having the responsibility for the Navy. We do not expect that you will use this as a precedent or anything like that, to come back here with another bill for another group and cite this as a precedent. What is your response to that?

Mr. HITTLE. My response to that, Mr. Chairman, is that our recommendation in this bill today is specifically pointed to this problem, specifically within this group in the Navy today, I certainly would not want to put myself in a position of inadvertently misleading this committee by making a conjectural commitment for some time in the future on a proposal I do not know anything about. But I can state that this bill is specifically pointed to this piece of legislation and this problem.

Chairman STENNIS. So you are bringing this here to try to retain these men because of the critical situation?

Mr. HITTLE. We have got an emergency.

Chairman STENNIS. That you would be in without it, is that right?

Mr. HITTLE. We have got an emergency on our hands. We need this legislation.

Chairman STENNIS. So in that view this would not be, cannot, and will not be considered by the Navy as a precedent for any situation, unless it is equally critical, is that right?

Mr. HITTLE. That is correct, sir.

Chairman STENNIS. Admiral Duncan, is that your position too?

Admiral DUNCAN. Yes.

Chairman STENNIS. You two gentlemen are in this special place of responsibility. Are there any other questions by any member of the committee?

Senator CANNON. Mr. Chairman, if I may, do you foresee any other equally critical situations developing in the foreseeable future?

Mr. HITTLE. I cannot state that they are equally critical at this time, because if they were, Senator, we would be down asking for remedy on it. But there are problems with respect to retention all the way through the various groups and categories of officers, both line and specialized groups within the Navy. There is nothing at this time that approaches the seriousness of this.

Senator CANNON. I take it from your answer that we should not be too surprised if we get something like this back in the future.

Mr. HITTLE. I can make no such commitment at this time. If we have a problem that is of an emergency nature, Senator, in all frankness, and if this proposal works, it might be the solution later.

Senator CANNON. Thank you, Mr. Chairman.

Chairman STENNIS. Is there anything further you want to say, Mr. Secretary?

Mr. HITTLE. No, sir.

Chairman STENNIS. Admiral Rickover?

Admiral RICKOVER. No, sir.

Chairman STENNIS. Admiral Duncan?

Admiral DUNCAN. No, Mr. Chairman.

Chairman STENNIS. Senator Schweiker?

Senator SCHWEIKER. Just so I understand, Mr. Secretary, the point I was trying to get at, when you take a trainee and for a year and a half, how much remaining tenure do you expect to get out of him in terms of a prerequisite of service? Take somebody that only has a year and a half to go?

Mr. HITTLE. This is on the commission period. In other words, from the time he is out of school and has gone on active duty. In the immediate period after he comes out of school and goes on active duty on his obligated 5 years of service, for instance, he has 5 years of service, it is early in that 5-year period, at the onset.

Senator SCHWEIKER. Do you have a minimum requirement as to active duty service that will be available to the Navy after he finishes his submarine specialized training? Surely you have some criteria?

Captain GRIFFITHS. If he comes, Senator, from the fleet into training, he has a minimum of 2 years of obligated service upon completion of training, total training. If he comes directly into training upon being commissioned and if he is a regular officer, as of today he has 5 years of initial obligation, so he will have three and a half years left after training.

Senator SCHWEIKER. Could he be in the middle of his 5-year cycle for some reason? Would you not accept him then?

Captain GRIFFITHS. Then he would come in and have 2 years left upon completion the same as in any other category.

Senator SCHWEIKER. What you are saying is that nobody gets into your program without seeing 2 years of training after he has done this, is that what you are saying?

Captain GRIFFITHS. That is correct.

Senator SCHWEIKER. That is what I was trying to find out a while ago.

Thank you, Mr. Chairman.

Chairman STENNIS. Thank you.

This completes the hearing, gentlemen. Thank you very much for your time.

(Whereupon, at 12:20 p.m. the committee proceeded into executive session.)

(Subsequently, in executive session on May 15, 1969, the committee voted to report H.R. 9328, without amendment, as covered by S. Rept. No. 182.)





